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May 13, 2019

The Honorable Dave Tamayo
President
Board of Directors
Sacramento Metropolitan Utility District
6301 S Street
Sacramento, CA 95817

Dear Board President Tamayo,

I write this letter in full support of the Sacramento Metropolitan Utility District's (SMUD) efforts to create the California Mobility Center (CMC) and pledge Sacramento State's full partnership in the endeavor.

It is clear to myself and too all with whom I speak that the Sacramento Region is in need of further strategic investments to advance economic growth. A recent report by The Brookings Institute found that the Sacramento "region has been on a troubling economic trajectory since 2006." Specific findings include the fact that the region ranks in the bottom-third of the 100 largest metropolitan areas in composite rankings measuring improvements in growth, prosperity, and inclusion and that employment in advanced industries averaged only 0.3% growth per year between 2005 and 2015. Additionally, the report found that the local production associated with goods and services exports accounted for only 6% of the Sacramento region's economy, the lowest export intensity among our American Middleweight peer group. These hard truths call for bold action.

The CMC represents an opportunity to reverse the persistent trajectory of slow economic growth, declining competitiveness, and the absence of regional investment in order to drive business development and employment. The CMC is built upon a proven model that will promote a multilateral connection between research, industry and government and establish an intensive regional, state-wide, national and international network made of key research centers and industry partners. With the accelerating global market of future mobility (driverless vehicles, electric modes of transportation, battery storage, shared mobility, etc.), the CMC will be strategically poised to move our region into an open, vibrant market of smart mobility and will help the region command a dominant position. As noted in *Automotive News* (August, 2018) "this market is attracting investors and it is estimated to reach a market value of \$9 trillion by 2030." By establishing a mobility nexus in Sacramento, the CMC will provide an innovative environment that will serve as a magnet for new and prospering companies, entrepreneurs, advanced technologies and, most importantly, investors.

As a one-stop-solution and state-of-the-art infrastructure, the CMC will become a much needed catalyst to promote and support innovative and entrepreneurial ideas and products that can be quickly commercialized and brought to market. As stated in the feasibility study, "Companies that

succeed in doing so can thus build or increase their competitiveness and set-up and/or secure their location and numerous jobs in the region of Sacramento.” This growth will drive the talent creation that will serve to establish a high-wage, strong workforce that is technically knowledgeable, sustainable, and prepared to support this growing industry well into the future. We at Sacramento State, and I personally concur, that with rapid growth of this industry radiating across California and the world, “Sacramento can become the leading market for future mobility.”

Sacramento State is committed to partnering with SMUD and others to make this innovative effort a reality. Our faculty, students and staff are eager to play a leading role advancing the goals of the CMC, which I am confident will lead to sustained economic growth. From research emanating from our College of Engineering and Computer Science to policy analysis by our College of Social Science Interdisciplinary Studies, Sacramento State can and will support SMUD, and the CMC, in a variety of meaningful ways.

The California Mobility Center has my full endorsement and support; and, on behalf of Sacramento State, we encourage the SMUD Board of Directors to support it. Please do not hesitate to contact me with any questions about Sacramento State’s support for the CMC.

Sincerely,



Robert S. Nelsen
President